C. L. Dey

SEPTEMBER 1964

MONTHLY REVIEW

FIFTY CENTS

AN INDEPENDENT SOCIALIST MAGAZINE

VOL. 16

5

GOLDWATERISM

THE EDITORS

IMPERIALISM: THE CASE OF BRAZIL

ANDREW GUNDER FRANK

When Hyenas Go Away KEITH BUCHANAN

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MONTHLY REVIEW: Published monthly except July and August when bimonthly, and copyright ©1964, by Monthly Review, Inc. Second class postage paid at New York, N. Y.
EDITORIAL AND BUSINESS: 333 Sixth Avenue, New York 14, New York.
Telephone: CHelsea 2-6494.
Unsolicited manuscripts will not be returned unless accompanied by a stamped, self-addressed envelope.
NEWSSTAND DISTRIBUTOR: B. De Boer, 188 High Street, Nutley, N. J.
SUBSCRIPTION PRICE: One year—$6 in the U.S.; $7 foreign.
By 1st class mail—U.S. $9; everywhere else $11.
By air mail—No. America $11; So. America and Europe $15; Asia (incl. USSR), Africa, Australia $17.
EDITORS: Leo Huberman and Paul M. Sweezy.

NOTES FROM THE EDITORS

It is with profound sorrow that we record the sudden death from a heart attack of Fritz Pappenheim at his home in Cambridge, Massachusetts, on July 31. A refugee first from his native Germany and then from Spain when Franco took over, Fritz came to the United States via Vichy France in the early days of the Second World War. In recent years he has lived in Cambridge, carrying on his own research and writing and giving generously of his time and energy to many students of left-wing tendencies (or just curiosity) who found it almost impossible to satisfy their needs for discussion and advice in the prestigious universities of the Boston area. We are proud that Monthly Review Press was the publisher of Fritz's book, *The Alienation of Modern Man*, an admirable exposition for the layman of a difficult body of sociological-philosophical thought. In Japanese translation, *The Alienation of Modern Man* has sold over 60,000 copies, and is soon to appear in a Spanish translation in Mexico. At the time of his death, Fritz was working on a lecture in Spanish to be delivered at the National University of Mexico at the time of the publication of the Spanish edition. He was a learned and devoted Marxist and socialist and a rare human being who combined the qualities of gentle-

(continued on inside back cover)

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GOLDWATERISM

The stench of fascism is in the air.
—Governor Brown of California

The term "fascism" is often applied indiscriminately to all reactionary police states. It has always seemed to us that this usage is too broad to have analytic value: any classification which throws together Franco, Chiang Kai-shek, Stroessner, Verwoerd, Salazar, and the Shah of Iran tends to obscure rather than illuminate the nature of the regimes with which these names are associated.

We therefore prefer a narrower conception which takes what may be called the "classical" fascist regimes of Italy and Germany in the 1920's and 1930's as its starting point and seeks to distil from those historic experiences the essentials of the phenomenon. Whether or not this procedure is justified cannot be decided on semantic grounds but only by the help it may provide in analyzing concrete situations.

The main characteristics of Italian and German fascism may be summed up in the following propositions: First, its ideology was on the extreme Right of the political spectrum. Second, it arose in a bourgeois democratic context. Third, its methods were a mixture of electoral politics and illegal violence. Fourth, much of its support came from people who felt unfairly excluded from the existing economic-political "establishment." And finally, its purpose was not merely to capture state power but also to smash what was believed to be a serious threat from the Left to the existing social order. Generalizing from the Italian and German experiences, one can say that fascism is the specific form which counter-revolution takes in a bourgeois democracy. It opens a road to wealth and power to ambitious elements outside the establishment, and at the same time it

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guarantees the status quo against those seeking radical change. Its consequence is the abolition of bourgeois democratic forms and freedoms and their replacement by a police state.

With these characteristics of fascism in mind, we can distinguish regimes which are from those which are not fascist. For example, there can be no doubt about the essentially fascist nature of the Franco regime in Spain: it had its origins in a violent counter-revolution which completely destroyed the young Spanish democracy of the 1930's. The new military dictatorship in Brazil is a similar phenomenon. On the other hand, the Stroessner regime in Paraguay is an example of a much older political form, the traditional Latin American *caudillismo*. This and many other "pre-democratic" regimes in the world today are as reactionary and violent as fascism, but they have different roots and require a different political analysis.

What about the Gaullist regime in France? By our standards, is this a fascist regime? This is an important question because France is one of the most developed capitalist countries and her experience is therefore likely to be highly relevant for the other developed capitalist countries. The answer to the question, it seems to us, has to be that the Gaullist regime is not fascist. Its function has not been counter-revolutionary—for all practical purposes the left opposition operates as freely today as it did under the Fourth Republic—but rather to resolve the recurring political crises which were brought on by the process of decolonizing the French Empire and which could not be rationally tackled, let alone solved, within the political framework of the Fourth Republic. The French ruling class was not threatened from the Left, and did not consider itself to be. It therefore had no need for fascism. On the other hand, it did need to escape from the paralysis imposed by existing political institutions. The Gaullist regime was the answer to this latter problem.

Let us now turn to the American political scene and examine the Goldwater phenomenon. Is Goldwaterism an American form of fascism? Or is it simply a temporary aberration from the usual norms of the American form of two-party bourgeois democracy?

It is of course too early to be certain about the answer to these questions: Goldwaterism as it is now shaping up is a very

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recent phenomenon, and no one can yet pretend to understand its full implications. Nevertheless, it seems to us quite clear that it contains many of the elements listed above as constituting the essence of fascism. Furthermore, what is perhaps even more important, the logic of the situation seems to favor the further development of these elements. As of now, we believe that Goldwaterism can be most accurately characterized as a proto-fascist movement.

Perhaps the most obvious characteristic of Goldwaterism is that it derives its dynamic force from the *nouveaux riches* and *arrivistes* who have been spawned by and have battened off the long boom of the 1940's and 1950's. These elements are numerous and exist in all but the lower reaches of the social hierarchy (it should not be forgotten that the scientific-technological revolution of our time has created many new and privileged segments within the working class). That their political orientation should be conservative-to-reactionary is in no way surprising. Since their prosperity is of recent origin, they are aware of its uncertain foundation and seek political guarantees of its permanence. They are preoccupied with their private affairs and lack culture, a sense of *noblesse oblige*, a feeling for history and national interest. They are jealous of the "establishment" and want access to the privileges, the prestige, the special sources of wealth attached to political power. We described and analyzed these phenomena in some detail ten years ago at the height of the McCarthy period, concluding that "*parvenu* capitalists are fighting for a larger share of the opportunities, prestige, and emoluments that naturally accrue to the ruling class of the world's richest country; McCarthy is their chosen political instrument." (The Roots and Prospects of McCarthyism," MR, January 1954.)

Actually, McCarthy turned out to be an incompetent leader who was on the way out even before his early death. His great weakness, as we emphasized at the time, was that he allowed his movement to be isolated on the extreme Right of the political spectrum and failed "to disguise its right-wing character through preaching a form of social demagogy which would enable it to pose as the champion of the people's interests." ("The Crisis of McCarthyism," MR, January 1955.) We saw this as repeating

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a familiar American political pattern. The point is not that American history is short of pseudo-radical demagogues but that

in this country there has never yet been a successful marriage between pseudo-radicalism and the extreme Right. Without the financial and social support which the extreme Right could have but never has accorded it, pseudo-radicalism has been unable to establish a lastingly important movement; while the extreme Right has never broken out of its political isolation and made contact with the masses. For a while it may have seemed to some that McCarthyism was going to resolve this dilemma, but the events of the past year [1954] have shown that this was a false expectation. The American extreme Right is still allergic to pseudo-radicalism, and neither McCarthy nor his friends have made any attempt to overcome the allergy. Joe's support for higher dairy prices turned out to be no more than what one would expect from a Senator from Wisconsin: on a national scale his one political weapon remains red-baiting. (Ibid.)

So far as its origins and general character are concerned, Goldwaterism is obviously a direct continuation of McCarthyism: this is a new bid by the *parvenus* to take over political power.* The question is whether its prospects are any different or better.

* Of the large amount of evidence on the nature of Goldwater's backing which has been published in the press recently, we select the following item as particularly striking and possibly important. A dispatch from the San Francisco Republican convention by the widely syndicated columnists Allen and Scott reads in part as follows:

"The single most influential delegate at the Republican National Convention is a six-foot-two, New York-born South Carolinian who is totally unknown to the public, is aptly nicknamed 'Big Red,' rules an extensive textile empire, and is worth more than $100 million.

"This unique political power is Roger Milliken, 48. Married, has five children, lives in Spartanburg, S.C., calls Yale his alma mater, and is a dedicated friend, supporter, and major financial backer of Senator Barry Goldwater from way back—starting in 1959 when they met after a speech by the Arizonan in Greenville, S.C. . . .

"At the 1960 Republican Convention, Milliken felt so strongly about his champion that he personally put up all the money for a blitz drive and huge rally to nominate him for vice president, despite Nixon's avowed preference for Henry Cabot Lodge as running mate. . . .

"This time it is all Goldwater and, as four years ago, the unknown

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In one respect of course, Goldwater has already succeeded where McCarthy failed: he has captured control of the Republican Party. But this is only a first step which by itself means little. The real question is his chances against the Democrats, and here it would seem that Goldwaterism suffers from exactly the same weakness as did McCarthyism. Its ideology is unadulterated reaction; America's *parvenu* wealth shows no more signs than it did ten years ago of understanding the need for, let alone promoting, a demagogic program as a means of winning mass support. And despite much interested or ignorant talk to the contrary, there is no reason whatever to believe that a fraction even closely approaching a majority of the American electorate is getting ready to scrap the hard-won advances of the New Deal period. In this respect, the Democrats with their talk about a war on poverty, medicare, and so on—half-hearted and insincere though it may be—are undoubtedly appealing to the real feelings and desires of the average American. Goldwater reaction arouses enthusiasm only among the *parvenu* elements themselves which, though absolutely numerous, still constitute a relatively small part of the whole population.

But has Goldwaterism perhaps found a magic electoral formula in red-baiting and/or war-mongering? We see no reason to think so. "There is no real indication," wrote the Memphis *Commercial Appeal* recently, "that Senator Goldwater is any more 'obsessed' with the Communist challenge than is President Johnson or the late President Kennedy." (Quoted in the *New York Times,* News of the Week Section, July 19th.) One could put the point the other way around: there is no indication that Johnson is any *less* obsessed with the Communist bogy than Goldwater. If ever there was a case of Tweedledum and Twee-

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—but all-powerful Milliken is in the inner center of the all-pervasive and irresistible Goldwater organization, quietly but firmly supervising and directing just about everything that it does.

"Milliken has a key voice in every major decision and move, and most others, too.

"Also he more than carries his share of footing the bills. Among the politicos, Milliken is admiringly known as 'a man who puts his money where his mouth is.'

"Insiders rate him as Goldwater's most consistent and principal financial supporter. . . ." (*Daily Times,* Mamaroneck, N. Y., July 15, 1964.)

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dledee, this is it. Nor is there any evidence that most Americans are enthusiastic about spreading the war in Southeast Asia—or anywhere else—as a method of combatting Communism. It should never be forgotten that Eisenhower's large electoral majority in 1952 derived in part from his promise to make peace in Korea. Johnson, because his own administration is now fully responsible for the war in South Vietnam, cannot make any such promises in 1964, but it is unlikely that on this issue he will lose many votes to a candidate who promises to make more war and talks irresponsibly about the use of A- and H-bombs.

Are we then justified in concluding that Goldwaterism is destined to suffer the same fate as McCarthyism?

Unfortunately, no.

The Negro liberation movement was picking up momentum ten years ago, but it was a long way from dominating the political scene. Today matters are different. Not only has the movement grown tremendously in power and scope, but in the North it is changing its character. With their economic situation actually deteriorating under the impact of automation-for-profit, the Negro masses in the North are beginning to lose their illusions about the possibility of achieving equality *in this society*. Since in the present world context there is no chance that American Negroes will drop their demand for equality—on the contrary, it is certain to grow—they will inevitably be propelled toward a revolutionary course. This is already the most important fact of American political life, and it is bound to remain such for the foreseeable future.

It is in this constellation of forces, tendencies, and relationships that Goldwaterism is finding new opportunities; and it is in seeking to exploit these opportunities that it is inexorably taking on the characteristics of a full-fledged fascist movement. James Reston stated a profound truth when he wrote in his column in the *New York Times* (July 19) that "the Goldwater movement is not a normal Republican political campaign, but a counter-revolution, and Goldwater is regarded by his ardent supporters not as a candidate but as a prophet." Only it may be doubted if Reston himself really understands the nature of the counter-revolution which Goldwater is leading.

It is not a counter-revolution against big government or

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welfareism or bureaucracy or any of the other clichés the Goldwaterites are so fond of mouthing: to speak of "counter-revolution" in this connection is indeed nothing but playing with words since there is no revolution, actual or potential, to counter. But it *is* a counter-revolution against the real revolution of our time, the Negro liberation movement. And in assuming this role and function Goldwaterism can hope to secure the mass backing which would surely be denied it if it were nothing but the latest manifestation of right-wing Republicanism.

We are not now asserting that Goldwater himself or those who hold the reins of power within his organization are fascist-minded racists. We don't know whether they are or not. What we are saying is that it is only by exploiting the race issue, by becoming increasingly the political instrument of the American counter-revolution, that Goldwaterism can hope to break out of its right-wing isolation and acquire the genuine mass following which was denied to McCarthyism. And we are also saying that a political movement, once in existence, develops in accordance with the objective logic of the situation rather than with the subjective desires of its leaders.

It can be argued, of course, that the electoral potential of counter-revolution is no greater than that of traditional reaction. This is in fact what many liberals apparently believe. They agree with the view which was stated by the Civil Rights Commission in its annual report for 1963: "The Commission firmly believes that the nation has a great store of latent good will on the subject of civil rights." This "great store of latent good will" is seen as insurance against the possibility of exploiting the race issue for political purposes.

If this view were realistic, the prospects of Goldwaterism would indeed be poor. But unfortunately it seems to be largely wishful thinking. The "white backlash" is no mere rhetorical phrase, and that it has an important electoral potential was conclusively demonstrated by the votes rolled up by Governor Wallace of Alabama in the Democratic primaries in Wisconsin, Indiana, and Maryland. It is not our purpose here to try to measure this potential, a task which is in any case impossible at the present time. It is enough to know that it is absolutely and relatively significant (the rationale of the Wallace candi-

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dacy was precisely to prove this), and that it is *only* through exploiting it to the full that Goldwaterism can hope to succeed.

If this analysis is sound, it follows that Goldwaterism is well on the way to becoming a fascist movement in the classical sense of the term. Its ideology is extreme right-wing; its driving strength comes from *parvenu* elements which have been excluded from the establishment; its mission, the only one from which it can hope to drive mass support, is to smash the Negro liberation movement. All of this implies acceptance and at least covert encouragement of the violent and illegal methods which have always been used, especially in the South, "to keep the Negro in his place." And in the final analysis it implies a South African-style police state which is the total negation of bourgeois democracy.

At this point an important question poses itself. In the case of Mussolini and Hitler, a crucial role in their ascent to power was played by the support they received from *within* the establishment. Whatever qualms Big Business may have had about these vulgar upstarts were outweighed by its fears of the Left. When the chips were down, enough Big Business support was thrown to the fascists to swing the balance in their favor. Is this story likely to be repeated in the United States in the period ahead?

It does not seem likely. The reason of course is not that American Big Business, headed by giant multi-national corporations like Standard Oil and General Motors, is any less counter-revolutionary than Barry Goldwater or his millionaire textile and oil buddies from South Carolina and Texas. It is simply that Big Business, operating on a global scale as it does, understands the world of the second half of the 20th century much better than the Goldwaterites. It knows that setting up a police state against blacks at home is simply incompatible with America's attempt to build and dominate a world-wide empire populated largely by colored people. The corporate establishment therefore prefers a different strategy in dealing with the Negro liberation movement, a strategy which has been successfully developed by the ruling classes of some of the advanced European capitalist countries and which consists essentially in steering a potentially revolutionary movement into reformist channels, domesticating

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it in the process and even harnessing it to serve the ends of the prevailing system.

The Democratic Party is the obvious political instrument for carrying out this strategy, and a large part of the corporate establishment had decided to give it their support long before the emergence of Goldwaterism as a serious contender for control of the Republican Party. (The fact that so much "old wealth" had already abandoned the Republican Party goes far to explain the ease with which the Goldwater organization captured control.) Up to now, however, it must be said that the corporate-Democratic strategy has been largely unsuccessful. The Civil Rights Act has been its most notable achievement to date; and while it may prove to be helpful in the struggle against Jim Crow in the South (how helpful will depend on the vigor of enforcement, still largely lacking at the time of writing), it obviously has little bearing on the deeper problems of the Northern ghettos where the future of the liberation movement is increasingly being shaped. (In this connection, it must not be forgotten that New York and many other Northern states already have on their statute books civil rights legislation at least as far-reaching as the new federal law.)

The failure of the reformist strategy to date, however, does not mean its imminent abandonment. On the contrary, we should expect the Democratic leaders to counter the Goldwater challenge by intensifying their efforts to give their Party a "New Deal" image and program. (It may be noted in passing that this seems to run counter to an apparently widely held view that Goldwater will force the Johnson administration to the Right. Actually, the contradiction is not as great as it seems. In terms of red-baiting and Cold War, Johnson doubtless will compete with Goldwater. It is only in terms of welfare-state-type reforms that he is likely to move in the opposite direction.) The question which therefore arises is this: Can the corporate establishment acting through the Democratic Party really force through enough meaningful reforms— in the areas of jobs, education, housing, etc.—to bring about a genuine improvement in the condition of the Negro masses? If so, it may be possible to domesticate the liberation movement and deprive Goldwaterism of its fundamental counter-revolutionary raison d'être. If

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not, Goldwaterism is likely to go on increasing in strength. We do not, of course, expect that all of this will be settled between now and the November election. At the time of writing, it seems probable that Johnson will win without too much difficulty—to the average voter, Goldwater the reactionary Republican still overshadows Goldwater the new-style counter-revolutionary—but such a victory will only set the stage for the real struggle to come between reform and counter-revolution.

Experience to date does not suggest that the policy of reform stands a very good chance of succeeding even if a Democratic administration is returned for a further term of four years. This is not because of lack of intent at the top but rather because the very nature of this country's political institutions makes it almost impossible for *any* serious reform to be enacted and carried through. The federal-state-local government set-up, the division of powers among the three branches of the federal government (reproduced in the state governments), the lack of any discipline or responsibility in the political parties, the enormous power of private interest groups and lobbies—all of these constitute so many roadblocks in the path of any but the most superficial reforms.

We are here reminded of the recent experience of France. In that country, as pointed out earlier, the political set-up under the Fourth Republic made it impossible for the French ruling class to solve its most important postwar problem, the decolonization of the old French empire and the streamlining of French imperialism along modern neo-colonial lines. Fortunately for the French ruling class, de Gaulle was both available and endowed with sufficient understanding of France's problems and their historic context to devise an appropriate and so far remarkably successful course of action. But in order to accomplish this, the old political institutions had to be drastically refashioned.

Can this success story be repeated in the United States? Can the corporate establishment create its own "de Gaulle"—a political instrument capable of carrying through a *serious* program of domestic economic and social reforms of a sort to enable American imperialism to confront the world as a "progressive" power rather than as the epitome and symbol of all

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that is inhuman and rotten in the old order which is now passing?

We doubt it, and for this reason we think that regardless of what happens this November the menace of Goldwaterism—or of fascism in some altered guise—is likely to loom larger and larger in the period ahead.

That this situation poses agonizing problems for serious American leftists is all too obvious. Our well-grounded hatred and fear of fascism is such that we cannot but think in terms of an alliance with everyone who, for whatever reason, may oppose its advance. And yet at the same time we cannot for a moment forget that on a global scale, American imperialism is *already* by far the strongest and most dangerous counter-revolutionary force; and it will remain so under Johnson or Goldwater or any other individual or group that may come to power in the world's leading capitalist country. No matter how much we may abhor our own fascists and fear their every gain, how can we in opposing them join hands with the murderers of South Vietnamese patriots, the organizers of endless plots to crush the great Cuban Revolution, the supporters of every tyrant, every butcher, every oppressor from Leopoldville to Rio to Saigon to Teheran? Would not such an alliance, however temporary it might be thought to be, amount to a betrayal of those whom Frantz Fanon called the "damned of the earth" and who are condemned to go on suffering the tortures of hell because of American power?

We do not claim any moral right to answer these questions for others, and we recognize that our diagnosis of the present and prognosis for the future could be wrong. Our readers must weigh and consider the facts and decide for themselves. For our part, we have made up our minds not to take sides in the conflicts in the American ruling class and to concentrate our limited energies on helping the revolutionary forces of the world—both at home and abroad—to understand the system which must sooner or later be overthrown if the world is ever to be a better and safer place to live in.

(August 5, 1964)

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ON THE MECHANISMS OF IMPERIALISM: THE CASE OF BRAZIL

BY ANDREW GUNDER FRANK

It is madness for one nation to expect disinterested help from another.

—George Washington

The United States does not have friends; it has interests.

—John Foster Dulles

In an article which appeared in *The Nation* of April 27, 1964, entitled "Brazil in Perspective," I examined the official Brazilian and U.S. views of economic relations between the two countries as presented by Roberto de Oliveira Campos who was then Brazilian Ambassador in Washington and is now the minister in charge of economic policy in the military dictatorship which took power in April, and by Lincoln Gordon, then and now American Ambassador to Brazil. My conclusions were that both official views are wrong: the United States does not help Brazil a lot (Gordon) or a little (Campos), but rather exploits Brazil unmercifully and stunts and distorts its economic development. In this article I propose to probe more deeply into these questions, especially in the hope of throwing light on a few of the numerous and often hidden mechanisms of which the imperialist countries make use in their relations with the colonial and semi-colonial countries of the underdeveloped world.

An economist formerly teaching in Brazil, now living in Chile, Gunder Frank is a frequent contributor to MR.

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The Flow of Capital from Brazil to the United States

It is widely believed that the United States and other developed capitalist countries contribute more capital to the underdeveloped countries than they receive from them. Nonetheless, all available statistics, including those compiled by the official agencies of the developed countries themselves, show precisely the opposite. Between 1947 and 1960, the flow of investment funds on private capital account from the United States to Brazil was $1,814 million while the capital flow of amortization, profits, royalties, interest and other transfers from Brazil to the United States totaled $3,481 million. For the seven largest Latin American countries (Argentina, Brazil, Chile, Peru, Venezuela, Colombia, Mexico), the United States Department of Commerce's conservatively calculated figures for the years 1950 to 1961 indicate $2,962 million of investment flows on private account out of the United States and remittances of profits and interest of $6,875 million; adding in American public loans and their Latin American servicing between the same years still leaves a conservatively calculated net capital flow of $2,081 million *to* the United States.

My present purpose, however, is not to dwell further on the amount of this capital transfer from Brazil and other countries to the United States. Instead it is proposed to inquire into some of the reasons for and sources of this, for Brazil and others, so prejudicial capital flow. When the facts finally force American business, political, and unfortunately also academic, spokesmen for American capital to admit the existence of this capital flow from the poor underdeveloped countries to the rich developed ones, they often try to defend it in the following terms: Either it is said that the direction of the flow is the result of the accidental or deliberate choice of a year or set of years in which the return flow on past investment happens to be greater than the outflow of new investment; or it is said instead (and sometimes in addition) that this drainage of capital from the poor underdeveloped countries really helps them to develop and that it is normal and logical that the capital flow into the investing and lending country—in this case into the United States—should be greater than the capital flow out of it be-

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cause, after all, profits and interest legitimately earned abroad must be added to the amortization and repayment of the original investment.

The facts of economic life completely vitiate this American logic. If the disparity between capital inflow from and outflow to Brazil is as normal and legitimate as its defenders claim, then why is it that according to the late President John F. Kennedy the capital inflow to the United States from the underdeveloped countries in 1960 was $1,300 million and the capital outflow from the United States to the same countries $200 million, while in respect to the advanced countries of Western Europe the outflow from the United States ($1,500 million) exceeded the inflow ($1,000 million) by a wide margin? (Cited in *O Estado de Sao Paulo,* April 12, 1963.) Why does *U.S. News & World Report* (December 25, 1961), using Department of Commerce data, find the same pattern to obtain for the five-year period 1956-1961, that is, a ratio of inflow to the United States to outflow from the United States of 147 percent for Latin America, 164 percent for the underdeveloped world as a whole, and 43 percent for Western Europe? To eliminate still further the possibility that this disparity may be due to accidentally comparing years of low current outflow and high return flow of previous outflows, we may add up (as the Department of Commerce never does) the officially registered capital flows into and out of the United States for each year from 1950 to 1961 as reported in the *Survey of Current Business* and find that the total capital outflow is $13,708 million and the "corresponding" inflow $23,204 million, or an inflow/outflow ratio of 177 percent.* Are we to believe that it is normal and legitimate that profits and interest earned by the United States in weak underdeveloped countries are very much greater than in the strong developed ones, the United States included?

The disparity between capital inflows and outflows is more realistically explained by examining, as I propose to do

*These totals can be computed from the following issues of the *Survey of Current Business*: November 1954, pp. 9, 13; August 1955, pp. 18, 20; August 1957, p. 25; August 1959, p. 31; August 1961, pp. 22, 23; August 1962, pp. 22, 23.

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in the paragraphs following, the source and composition of these flows than by appeal to any simplistic theories. In the first place, the argument that it is only logical for capital inflows to the United States to exceed outflows because, after all, the latter must earn a profit is premised on the unstated but erroneous assumption that official capital inflows into the United States are earnings on capital the United States previously sent abroad. As a matter of fact, much of the capital on which Americans "earn" profits in Brazil is Brazilian in origin and American only in ownership, control, and earnings. The Brazilian origins of "American" capital are manifold. We here take note of only those which fall under the titles of loans, concessions, and foreign exchange privileges.*

Direct loans from the government's Bank of Brazil to American firms and to mixed American-Brazilian consortia are common in industry, commerce, and agriculture. The two giant American world-wide cotton merchants, SANBRA and Anderson & Clayton, in 1961 received $54 billion cruzeiros in loans from the Bank of Brazil, or 47 percent of that bank's entire agricultural and industrial loan portfolio (reported by Congressman Jacob Frantz in Congressional debate and cited in *Semanario*, May 30–June 6, 1963). By re-loaning this money (at higher interest rates of course) to wholesalers and producers of cotton whom they thereby control; by buying up harvested stocks, storing them in government provided bins, and speculating with them later; by monopolizing important sectors of organization and distribution—these American firms use *Brazilian* capital to control much of the Brazilian domestic and export cotton market (as they also do that of many other countries) and to ship the profits therefrom home to the United States. Swift, Armour, and Wilson (recently involved in a public scandal for having partly exported and partly held back for a higher price the meat consigned to them by the government for storage and sale to the public), the A. & P.'s subsidiary Ameri-

*The reader should note that the author thus omits entirely the largest single source, namely, the plowing back of profits by American branches and subsidiaries of a large part of the profits realized on their Brazilian operations.—The Editors

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can Coffee Company, and other American monopolies similarly derive fat profits from using Brazilian capital to monopolize critical sectors of the domestic and export markets. American banks like the ubiquitous National City Bank of New York, insurance companies, and other financial institutions evidently work almost entirely with Brazilian capital, loan much of it to American non-financial firms in Brazil, and then serve as a channel to send their own and others' profits on this Brazilian capital "back" home.

In the public utility sector especially, the ownership and earnings of so-called American capital are based, not on original investment of capital, but on concessions, exorbitant use rates, and other privileges. The capital is provided by Brazil. The Sao Paulo Light Co. (now merged with the Rio Light, Rio Gas, Brazilian Telephone and other companies in the Brazilian Traction Co.) in 1907 took over a concession already granted to two Brazilian individuals until 1950 and then got it extended to 1990. By engaging an ex-President as its lawyer to fight a legal battle through several courts up to the Supreme Court—still staffed by the ex-President's appointees—the company in 1923, contrary to the stipulations of its contract, obtained an extension of the concession for its telephone subsidiary. Later the concession of the gas subsidiary was also extended. For its starting capital the Sao Paulo Light issued bonds for $6,000,000. It then took over the already existing streetcars and associated properties. Following the usual procedure, the various light companies financed expansion of service to new areas by assessments on, and more recently by loans from, the communities to be served, while equipment was purchased out of earnings from exorbitant public utility rates. Even so, as any user can testify, service always lags far behind demand (electricity rationing is now normal in Rio and sometimes reaches blackouts of five hours daily). Through political influence and bribery, the company managed to delay the construction of competing facilities for 15 years at one site. In 1948 the company received $90 million in loans from the International Bank for which it obtained a guarantee from the Brazilian government. Part of this foreign exchange was used, of course, not to import new equipment, but to convert cruzeiro earnings into dollars for

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remittance to the United States. To avoid showing exorbitant profits, the company increased its registered capital base by issuing stock dividends to its owners. Between 1918 and 1947, Brazilian Traction made profits of $550 million of which $165 million were sent home. Now that public utilities have become unprofitable relative to other industries and that the Brazilian government wants to take them over in order to permit the expansion of needed service, the American owners bring all possible diplomatic and other pressure to bear in usually successful attempts to obtain once again the remaining equipment's value several times over through "expropriation." (Sources: Paulo F. Alves Pinto, *Antologia Nacionalista,* vol. 2, cited in Barbosa Lima Sobrinho, *Maquinas para transformar cruzeiros em dolares* and Sylvio Monteiro, *Como Atua o imperialismo ianque?*)

Addressing the Brazilian Senate in 1953, President Vargas' Treasury Minister said, "I have to declare that foreign capital . . . demands guarantees to enter the country, greater guarantees to remain in it, and still greater ones to withdraw from it. Therefore, it does not seem desirable for any country and still less for Brazil." (Quoted in Osny Duarte Perira, *Quem faz as leis no Brasil?*, p. 97.) After the establishment of a state petroleum company and threatening to do the same with electric power, the government of Vargas was, owing to foreign and domestic pressure, replaced by one which proposed the "creation of a climate favorable for the investment of foreign capital in the country." To this end the Superintendency of Money and Credit (SUMOC) issued Instruction 113 according to which, in the words of the President of the Federation of Industries of the State of Sao Paulo, "foreign firms can bring their entire equipment in at the free market price . . . national ones, however, have to do so through exchange licenses established in import categories. In this way there was created veritable discrimination against national industry. We do not plead for preferential treatment but for equal opportunities." (Quoted in Jocelyn Brasil, *O Pao, O Feijao, e as Forcas Ocultas,* p. 125.) Moreover, foreign firms were permitted to import used equipment (often already depreciated for tax purposes at home), while Brazilians could import only new machinery. As a re-

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sult, Brazilians, who on this basis were unable to compete with foreign firms and/or who were unable to get assignments of foreign exchange from the Central Bank, were forced to combine with non-Brazilians who, though they might not contribute much of any capital to the common enterprise could contribute and capitalize on special privileges as foreigners. Ten years after Vargas, President Goulart was still forced to observe (*O Semanario,* September 26, 1963): "In fact it is incomprehensible—and much less justifiable—that in this time of renewed heavy burden for the people, innumerable superfluous or easily dispensable products which are consumed mainly by the richer classes continue to enjoy the benefits of an exchange rate of 475 cruzeiros [the market rate was then 800 cruzeiros]. The same exchange rate as for petroleum products and other basic goods is enjoyed by extract of whisky and of Coca-Cola. . . . The disappearance of our scarce foreign exchange resources occurs not only through imports. The concession of exchange privileges to remit foreign exchange destined for the payment of unessential services causes the same harmful effects to our balance of payments." It is worthy of note that, "fascist" or "communizing" or not, as Presidents Vargas and Goulart respectively have been termed by the foreign press, the effective power of these Presidents was evidently insufficient to combat the forces, inside and outside their own governments, which benefit from and fight to maintain those privileges which accrue to small but powerful foreign and domestic interests at the cost of national development. There are, of course, influential Brazilian interests which willingly cooperate in this provision of Brazilian national capital to American firms so long as, in association with this powerful ally from the North, they can participate in some of the spoils.

Effects on Brazilian Economic and Industrial Structure

Spokesmen for the supposed advantages for Brazil of American investment often claim that the distribution of American investments and loans among productive sectors in the receiving country contributes to that country's economic development, and that the resulting import substitution is converting

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the Brazilian economy into one capable of self-sustained overall economic growth. The facts support neither of these contentions.

We have already noted in part what kind of contribution American owned, *but not supplied,* capital makes to Brazilian development in the trade and public utilities sectors which, according to the Department of Commerce, absorb 43 percent of the total. Of the 791 American firms in Brazil in 1960, we must certainly call into question the allegedly essential contribution to the development of its economy made by the 125 import, export, and other commercial houses; the banking, insurance, real estate, and other financial institutions, which are 64 in number; petroleum distribution (by the world-wide petroleum monopoly of notorious fame); retailing (such as Sears and Roebuck which outside the United States is a luxury chain); and publishing, advertising, hotels, cinema, and other services (including towel supply), which account for 77 more dubious contributions to a solid basis for Brazilian economic development (Barbosa Lima Sobrinho citing Editora Banas, in *Semanario,* September 26, 1963). Coca-Cola at least built or equipped a manufacturing plant.

As for the 54 percent of American capital which the Department of Commerce attributes to manufacturing, no detailed breakdown is given. In 1959, light consumer goods industry accounted for 48 percent of foreign, including American, manufacturing in Brazil, of which approximately 20 percent was in the food and beverage sector, including 17 bottling and ice cream firms (Editora Banas, *Capital extranjero no Brasil*). Even the 40 percent of United States investment which the Department of Commerce attributes to basic industry is not telling. To serve as a base for self-sustained industrialization and growth, investment must, all will agree, produce the materials and equipment—steel, machinery, trucks, tractors—necessary for expanded production. But the bulk of this investment is in the automotive industry, and there it does not produce primarily trucks and tractors which are needed for development purposes but which are not immediately profitable; rather, it seeks maximum profits in the production of passenger cars for the high-income market.

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In general, then, American enterprises in Brazil tend to produce non-essentials, and they do so largely with Brazilian capital.

But this is not all. The composition of foreign investment and its effects on the structure of the Brazilian economy are crucial to the maintenance of underdevelopment there. It is often claimed that American investment in Brazil results in import substitution which creates Brazilian capacity for autonomously-directed and self-sustained economic development. Examining only American investment in the most basic sectors, we find, unfortunately, that the facts demonstrate largely the opposite. It is characteristic of American investment in Brazil *and elsewhere that the giant investing corporations set up only* a part of a particular productive process abroad and keep a critical, though it may be a smaller, part under their immediate control at home. The archetype of this arrangement is the Brazilian assembly plant of an American corporation which is made to depend on the import from the parent corporation of the basic equipment needed, later of its spare parts and replacements, often of critical components, especially the highly tooled ones, of critical raw materials, associated patents, technicians, transport, insurance, and above all, of the technical and organizational schema of the productive process.* Significantly, this arrangement also serves to eliminate any existing or potential Brazilian markets for inventive engineering and ties Brazilian technological development to the American economic structure; the reason is, of course, that the solutions to technical problems are already engineered into the productive process in the United States and are exported to Brazil in the form of the technological organization established there.

The Brazilian economy is tied still further to the stronger American economy when American interests "cooperate" with Brazilian capital in joint enterprises, or when American firms farm out part of the productive process to local suppliers of components. While the propaganda has it that the United States

*Much the same pattern was noted and criticized by the American observer John Gerassi (*The Great Fear,* 1963) in Latin American petroleum, mining, steel, automotive, machine building, and other industries.

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is stimulating private enterprise and economic development, the reality is that American corporations use Brazilian capital for their own purposes, transferring part of the risk and cost of demand fluctuations to the local supplier, channeling Brazilian capital into the provision of goods and services which maximize the American corporations' profits, and binding the Brazilian economy increasingly to themselves in particular and the American economy in general. Moreover, American influence thus increases not only in the Brazilian economy but also in Brazilian political life; and, interestingly, in view of the claims about import substitution, this process results in increasing American determination of the composition even of Brazilian imports. Brazilian exports, of course, have been largely in American hands. Thus, what to Americans may appear as "the natural process of import substitution" appears to Brazilians, other than those directly cooperating in the process, as what it is: the progressive domination of the Brazilian economy and the strangulation of its capacity for national development.

The problem of imports is compounded by that of exports which are not keeping pace. The United Nations Economic Commission for Latin America (ECLA) notes that, subtracting petroleum, Latin American exports have risen only 40 percent since 1938, while world trade has doubled and the trade of the developed countries has tripled. ECLA notes further, "that the deterioration of Latin America in world trade is one of the most important points of strangulation of its economic and social development." (*Jornal do Brasil,* January 22, 1964.) Add to this the drain of capital out of Brazil and the misuses of its own resources engendered by foreign investment, and the result is Brazil's chronic balance of payments deficit. Now come the foreign loans.

These loans, we are asked to believe, are also development-producing. The fact is that to an increasing extent they are deposited in New York banks to cover the dollar needs of Americans in Brazil. As Simon Hanson has repeatedly pointed out in his *Latin American Letter* (for American businessmen) and in *Inter-American Economic Affairs* (Summer 1962), Alliance for Progress dollars are destined to serve as the source

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of the foreign exchange needed by Brazil to buy out American owned (but as we saw, not supplied) capital in Brazilian public utilities, and to pay for imported equipment, materials, technicians, and service "needs" that (as we also saw above) American corporations have built into the Brazilian economy's underdeveloped structure. As these loans come with economic and political strings attached, Brazil thus loses control of critical sectors of her economy to foreign interests on foreign investment, domestic production, export, import, and loan accounts. These levers of control integrate the weaker Brazilian economy ever more into the stronger American economy, render the oligarchic Brazilian allies of American interests ever more dependent on the United States, and structure *underdevelopment* all the more firmly into the very foundations of Brazilian society.

Beyond these considerations, some observations about recent features of American aid in Brazil may be illuminating. It is well to note that, though included in the dollar totals of aid, loans under Public Law 480, euphemistically called "Food for Peace," do not supply a single dollar but consist rather of cruzeiros derived from the sale in Brazil of American surplus wheat which, like all other "dumping," competes unfairly with and inhibits the development of Brazilian wheat production.

The major American-financed capital project in Brazil, the Volta Redonda steel mill was, in fact, built by the United States during the Second World War to provide steel in Brazil for the United States' own wartime needs: Brazilians have been paying for the mill ever since. As for the much heralded aid for the development of the "depressed Northeast," the governor of one of its states has publicly pointed out that with a population of 25 million and one of the world's lowest standards of living, this area received $13 million from the Alliance for Progress while the state of Guanabara (including the city of Rio de Janeiro) with 4 million inhabitants and the highest per capita income among Brazil's 22 states was allocated $71 million. The governor of this latter state, it just so happens, is the presidential candidate of the ultra-right economic interests, the Brazilian Barry Goldwater, who spends his American-supplied dollars on parkways marked "works of the government of Carlos

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Lacerda" and on other projects such as forcing slum dwellers to move out to "John Kennedy village" located 20 miles out of town, while burning down their houses in the center of town to make room for a new tourist hotel. That's development!

Underdevelopment, Industrialization, and Foreign Investment

Finally we may briefly broach what is undoubtedly the most difficult but the most important matter of all, the economic history of underdevelopment and development, and the role of foreign trade and investment therein. The events in this history which are critical for the understanding of the problems under discussion are universally known albeit all-too conveniently forgotten in certain circles.

The expansion of metropolitan mercantilism and capitalism to Latin America, Africa, and Asia wrought the destruction of productive and viable agricultural and also industrial economies on these continents and most notoriously in Mexico, Peru, West and East Africa, and India. Arriving mostly by force of arms and establishing alliances in these societies (and in newly established ones such as Brazil) with old and newly created exploitative oligarchies, the metropolitan economies reduced the large bulk of the world's people to levels of abject poverty that they had never suffered at the hands of their previous own or foreign masters. In our times, it has become fashionable to call these societies "underdeveloped," as though they have always been this way. The developing metropolitan powers pillaged the peoples in these political and economic colonies of capital which they used to industrialize their own economies. By incorporating them into what is now known euphemistically as the world market, they converted these now *underdeveloping* economies into appendages of their own. As we have seen above, this process continues unabated in our day.

Lest it be thought that the United States is only a newcomer to this exploitative process which produces development for some at the expense of underdevelopment for others, it is well to remember that the initial industrial capital of the Northeastern United States was derived largely from the slave trade and from the products of Southern slavery. Though the forms

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have been modernized, the content and the effects of the expansion of capitalism in contemporary times remain essentially what they always have been; the level of living of the majority of the people is still *falling*. The United Nations Food and Agricultural Organization (FAO) supplies part of the evidence. Taking per capita food production in 1934-1938 as 100, in the three crop years 1959/60, 1960/61, and 1961/62, it was 99, 100, and 98 in Latin America, Africa, and Asia (excluding the socialist countries) respectively; while it was 113 for the world as a whole, and 145 for the countries universally known for the failure of their agriculture, the Soviet Union and Eastern Europe (FAO, *The World State of Agriculture and Nutrition,* 1962, p. 15 of the Spanish edition). But these figures tell only part of the story. The other part lies in the combination of low or negative economic growth rates with the increasing *inequality* of the distribution of income in countries for which estimates are available, such as Brazil, Argentina, Mexico, and India. The result is that while foreign and domestic exploiters enrich themselves, the masses of the people in the underdeveloping countries are suffering an absolute decline in their per capita incomes.

This article has been an attempt to report on a few of the mechanisms of imperialist exploitation of underdeveloped countries. It is not, and is not intended to be a substitute for inquiry into the structure and transformation of the imperialist system. But even these structurally derived mechanisms of imperialism in action, though no doubt familiar to practicing imperialist and allied businessmen and diplomats, are all too unfamiliar to many of those who would combat imperialism. Yet an understanding of contemporary imperialism in action is essential to the theoretical base necessary for any successful struggle against the system. And there are many more such mechanisms of imperialism in action. (Hamza Alavi has recently reported on some others in his "U.S. Aid to Pakistan," *Economic Weekly,* Bombay, Special Number July, 1963, reprinted in French as "Pakistan: le fardeau de l'aide americaine" in *Revolution,* Paris.) But even where reports of economic mechanisms of imperialism exist, they are usually studies of individual firms, industries, incidents, etc. Not only do these make tedious,

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if necessary, reading, as those who have followed this report this far will have found out; but in the absence of more inclusive and quantitative information on such matters as real profit rates and totals, concessions, financial control, imperialist-nationalist joint ventures, etc., we can reach only a very inadequate understanding of even these mechanisms of imperialism. It is hoped, therefore, that students in the underdeveloped countries, as well as in underdeveloped regions and sectors of the industrialized nations, will increasingly report on the hard facts of imperialism.

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by CEDRIC BELFRAGE

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AN ANNIVERSARY AND A REVOLUTION

BY SAMUEL STRONG PHARR

August 29, 1963, marked the fiftieth anniversary of an important event—the first redistribution of land in Latin American history. The revolutionary leader who engineered this history-making act was Francisco José Múgica; its beneficiaries, the peasants of Matamoros across the Río Grande from Brownsville, Texas.

This notable anniversary was celebrated in Mexico City with appropriate pomp with the delivery of Múgica's Matamoros land redistribution documents to Mexico's President López Mateos in ceremonies under the Monument to the Revolution at the end of Avenida Juárez. Madero and Carranza, heroes of the Revolution, are buried under the Monument. Some day Múgica should be buried there too.

Múgica was born in a small village in Michoacan, a state which produced Hidalgo, Morelos, and many other 19th-century revolutionaries, as well as the 20th-century figures of Múgica and Cárdenas. Múgica was poor, of Indian ancestry, and he owed his education to the fact that his father was a school teacher. He was influenced at an early age by the teachings of Morelos and the other 19th-century revolutionaries who had preached the necessity of breaking up the great *latifundios* and of destroying the stifling economic monopoly of the Church.

Intent, intelligent, and energetic, he became, naturally enough, violently anti-clerical and *antiporfirista*. Prior to the

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Samuel Strong Pharr, a lawyer and independent scholar, is a student of the Latin American Revolution. He would appreciate it if anyone having materials relating to the career of Francisco José Múgica would get in touch with him through MR. A biographical sketch—*Múgica Cronica Biografica* by Armando de Maria y Campos, Mexico City, 1939—was published as a prelude to Múgica's candidacy for the Presidency in 1940.

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1910 revolution, when he was still in his early twenties, he was publishing revolutionary weeklies in Michoacan. It was as a reporter and journalist that he first joined the military forces of the revolution. Later he became an officer on the staff of General Lucio Blanco. When Blanco's troops captured Matamoros and much of the surrounding territory, Múgica took the opportunity to turn into reality the revolutionary dream of land redistribution. A "spread" known as "Los Borregos," property of Félix Díaz, a general of the opposing *porfirista* forces and a relative of President Porfirio Díaz, was selected as the site of the first land redistribution program.

Múgica at that time was 29 years old. Four years later his actions were constitutionalized, when the doctrine of "land and liberty" and the then (and still) revolutionary thought that the land should belong to those who work it with their hands, were incorporated into Article 27 of the Mexican Constitution of 1917. Múgica, a delegate to the Constitutional Convention at Querétaro, was chairman of the committee that drafted this Article.

Article 27 was the first legal expression of the socialistic idea that all property belongs primarily to the nation and is forfeit unless administered for the common good. It was ratified on February 5, 1917. (The Russian Revolution did not begin until March 11th of that year, nor develop social direction until Lenin arrived from Switzerland on April 29th.)

The previous Mexican Constitutions—ratified in 1824 and in 1857—had been copies of the American Constitution and had recognized the primacy of private property rights over human, social, and economic needs. It remained for the intellectuals of Querétaro, led by Múgica, to challenge the philosophical assumption inherited from John Locke that the chief purpose of government was to protect private property. "Ownership of the lands and waters within our national boundaries belongs to the nation," they wrote in Article 27, and went on to say that the "nation shall have at all times the right to impose on private property whatever is dictated by the public interest . . . in order to distribute equally the public wealth." So much for the sanctity of private property! (It is interesting to note

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that this Article compares well with Fidel Castro's Cuban *Ley de Reforma Agraria* of May 17, 1959.)

Múgica's triumph, unfortunately, was short lived. Madero had already been assassinated. Later on, in 1920, Carranza, too, was murdered. Múgica managed to survive, although he had some narrow and dramatic escapes. At one point, after having resigned his post as "constitutional" governor of Michoacan (because President Obregón would not let him administer his office according to the Constitution) Múgica was arrested and was shown by his captors a telegram from the President congratulating them on Múgica's death "while attempting to escape." Múgica, the radical socialist, had become a hunted man.

After the fall of Obregón in 1924, Múgica returned to favor sufficiently to be awarded a post as governor of the penal colony of Tres Marías, convict islands off the Pacific Coast. Too important to be ignored, he was, nevertheless, isolated because of his radical ideas. During the early 1930's he conducted from the Islas Marías an extensive correspondence on the problems of Mexico with Cárdenas, then governor of Michoacan and soon to become President of Mexico. Between them, Múgica and Cárdenas, with the help of Article 27, were to bring about many social changes.

When Cárdenas ascended to the Presidency of Mexico, the older and more experienced Múgica was recalled from the Islas Marías. He was in Cárdenas' cabinet and, as adviser and confidant of the President, his political influence was strong when, in 1938, the Mexican properties of Standard Oil and other petroleum producers were expropriated by the Mexican government.

But the surge of socialistic reform was not strong enough to sweep Múgica into the Presidency as a successor to Cárdenas. In the reaction against the redistribution of property, Múgica was forced to retire from the central political scene. He was named Governor and Military Commander of Lower California at remote La Paz. The Second World War, however, gave his Pacific post importance, and provided further opportunity for

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cooperation with Cárdenas, who was Mexico's wartime Chief of Defense.

With the end of the war, Múgica returned to Patzcuaro in Michoacan to a garden of orchids and bougainvillea overlooking the lake and the mountains. From there, he fought the postwar reactionaries until his death in 1954. Before he died, he said to his wife, "Do not leave me alone with a priest. They will claim I repented and confessed."

As a *General de Division* in the Army, he was buried with the required elaborate military honors in Mexico City's *Panteón Civil,* where Carranza had also originally been buried. His followers wanted to bury a copy of the Constitution with him as they saw him as one of its last great defenders.

Múgica had fought for his revolutionary ideas through the Revolution of 1910, through two world wars, and up to the brink of the Cuban Revolution. No other Latin American revolutionary of the 20th-century could make a similar claim.

Now his statue, dynamic, moustachioed, may be seen at the crossroads at Carapan on the road between Morelia and Guadalajara. Erected there last year through the efforts of Cárdenas and other admirers of Múgica from Michoacan, the statue faces the villages of the Tarascan Indians whose lands were returned to them while Múgica was governor of Michoacan.

In so far as poverty arises from the niggardliness of human nature or of the natural defects of human character, it is an evil but it is not a grievance. What gives it its sting, what converts economic misery into a political issue or a moral problem, is the conviction that the poverty of the modern world, since it is co-existent with riches is . . . a social institution. . . . Social poverty is merely one outward expression, impressive because it appeals to the eye, of the power over the lives of mankind which modern industrialism confers upon those who direct industry and control the material equipment upon which both industry and social life depend. The fundamental grievance is not a mere deficiency of natural resources. Hunger and cold cause misery, but men do not revolt against winter or agitate against the desert. The fundamental grievance is that the government of industry and the utilization both of capital and land are autocratic.

—*R. H. Tawney, The Radical Tradition, p.* 102

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EATHERLY AND HUIE: A COMMUNICATION

BY SID ROSS

My attention has been called to the article in your June 1964 issue: "Debunking the Debunker" by Gunther Anders.

I do not wish to comment on Mr. Anders' exposition on the Huie book, *The Hiroshima Pilot,* but as an interested party, so to speak, I can add other details and opinions. Since I did the major part of the first-hand research that went into the *Parade* magazine article ("The Man Who Kiilled 100,000 People") published in May of 1962, I can unequivocally say that many of the "facts" adduced by Mr. Huie are in direct contradiction to those I ascertained from Claude Eatherly's family, doctors who treated him, former crew members, and other authoritative sources.

Perhaps, since Mr. Huie termed the *Parade* article "pure nonsense," I am writing these lines in pique. Be that as it may I am fully convinced that the central issue—is (and was) Claude Eatherly's guilt real—*has been affirmatively answered by people who ought to know,* and not merely Eatherly himself. This sense of guilt for Hiroshima existed *as far back as* 1946.

I will put my reportorial integrity against Mr. Huie's anytime. *Why* Huie wrote this book I leave to Mr. Huie's own conscience. It is pretty obvious that he set up a lot of straw men which if nothing else, *Parade's* article made unnecessary. His tactics, at least as far as the *Parade* piece is concerned, are to quote an allegedly apocryphal anecdote—nothing more—and then cleverly dismiss the entire piece as "pure nonsense."

I think that the Huie book was grossly misnamed. Instead of *The Hiroshima Pilot* it should have been titled *Inside Huie.* As the cliché goes, the book reveals far more about William B. Huie than it does about Claude Eatherly.

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WORLD EVENTS

By Scott Nearing

Asia in Turmoil

Asia is the largest and the most populous of the continents. Its area exceeds that of North and South America combined. Its population numbers 1.7 billion—well over half of the planet's 3.1 billion inhabitants. Until recent times Asia was also the seat of three of the earth's most influential civilizations: one based in China, a second in India, and a third in Turkey.

Asia was conquered politically, militarily occupied, and exploited economically between 1500 and 1900 by European powers. After 1840 European domination of Asia was speeded by the occupation and partition of China. Great Britain took the lead in this operation and was ably assisted by France, Russia, Germany, and the United States. With the partition of the Turkish Empire and the energetic division of China among the Western powers, effective Asian resistance to European aggression came to an end. After the defeat of the Boxer Rebellion in 1899 the entire continent from the Black Sea to the Indian Ocean and the Pacific was a happy hunting ground for Western imperialists.

Westerners made themselves at home in Asia, treating "natives" like second class citizens. Western representatives "advised" Asian governments, owned large blocks of Asian economies, made foreign policy and pocketed super-profits from their trade and investments. Differences between Westerners and Asian natives were settled by diplomatic arm-twisting and by Western military power.

Only one Asian country, Japan, was still able to challenge Western control. In 1902, by a treaty with Britain, Japan signed up as a local representative of Western imperialism.

Wars in 1914 and 1939 destroyed Europe's position as the earth's power center. Between 1939 and 1943 Japan furthered

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the process by driving the armed forces of Holland out of Indonesia, the forces of France from Indo-China, and the forces of the United States from the Philippines, clearing the Far East of Western imperialists and bringing the entire area into the Japanese Co-prosperity Sphere. Two years later, in the summer of 1945, Japan surrendered unconditionally, withdrew from the Asian mainland, and was occupied and ruled by United States armed forces. Meanwhile United States authority had been extended across the entire Pacific through the conquest of Japan's mandated islands after war's end. War in Korea gave Washington an opportunity to occupy South Korea militarily, strengthen its base in Okinawa, and take military control of Taiwan. The struggle between imperial powers for the control of Asia had been won by the United States.

Asia was war booty. It was also a hornet's nest. Asians who had submitted for generations to the humiliation, the political oppression, and the economic exploitation of Western imperialists were demanding independence and self-determination. The turmoil which disturbed and disrupted their lives after generations of imperialist rule they quite logically blamed on imperialism and on the imperialists. All Asia, especially Asian youth, felt the fire of revolutionary ferment.

Revolting Filipinos had Spanish imperialists on the run when United States forces fought a two-year war of conquest from 1898 to 1900. The Chinese revolution of 1911 opened a period of civil war that continued, with interruptions, for 38 years. The dissolution of the Turkish Empire left a legacy of feuding Near East and Middle East semi-independent states. The Gandhi-led independence movement compelled the British to leave India. The Dutch were forced out of Indonesia. The French were driven from Indo-China.

Survival war among the big empires loosened the bonds that had held Asia in subjugation for centuries. Colonial revolt, exploding nationalism, and social revolution hastened Asians along their rough road to national independence and self-determination. The Asia which Washington sought to dominate after 1945 had cast off the yoke of imperialism, was savoring independence, and was increasingly determined to make its own way in the world.

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Washington's Plan for Asia

United States imperialists, like their opposite numbers in Europe, have sought markets, concessions, and profit-making opportunities in Asia. Following a brief period of Open Door diplomacy designed to give the United States a "fair" share in the partition of China, Washington launched its "yellow peril" campaign to convert the Pacific into an American Sea and open the way for the domination of the Far East. The immediate enemies of this plan were the British, French, Russian, and German Empires, and Japan. The alleged beneficiary of the plan was China. The wars of 1914 and 1939 eliminated the European empires as effective competitors for the control of Asia. The same war enabled the United States to force unconditional surrender and military occupation on Japan. One brief episode, six years of war, from 1939-1945 weakened or eliminated all of the imperialist rivals for the control of Asia.

Until the defeat of the Chinese Nationalists in 1949, Washington hoped to make the Pacific an American sea by occupying the island chain from the Aleutians to the Philippines and Taiwan; by forming a Washington dominated alliance (SEATO) with British and French imperialists; by using occupied Japan as a base of operations and, with the Chinese Nationalists as junior partners, to establish firm control over Far Asia.

Washington's plan for the control of Far Asia remained largely on paper. The United States held strategic positions across the Pacific. It held the Island Chain, including a restive and resistant Japan, and an insecure Taiwan. It had a continental foothold in turbulent South Korea. Elsewhere in Asia it faced neutralism, hostility, or active social revolution.

War-shattered European empires had been reinvigorated through British and French acceptance of the Marshall Plan, the organization of NATO, and the re-industrialization and rearmament of Germany. No such possibility existed in Asia. Japanese industry was rebuilt to provide supplies for the Korean War and Japanese military power was partly restored. Beyond this, there was no firm ground from which the reconquest of Asia could be launched.

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Policy does not consist of public pronouncements, declarations, promises, assurances. In reality it is the course of action followed by a government from day to day and year to year.

More than half a century has passed since Hawaii was annexed, the Philippines were seized, conquered, and occupied, and Washington began its step-by-step control of the Pacific and the approaches to the Asian mainland. In the light of these events it is possible to approximate the U.S. program for Asia.

During the early stages of the program Washington will cooperate with its imperialist rivals using its "anti-communist" and "free world" slogans. It will support or establish and aid "friendly" Asian governments on the basis of political neutralism, economic concessions, and "consultations" with imperialist representatives on domestic order and foreign policy. It will overthrow local governments that fail to live up to the specifications. Military missions will be stationed in the cooperating countries. Military aid will be granted in proportion to the danger of left-wing activity. Where necessary, United States military bases will be set up. Washington will hold military control of the sea, the air, and the channels of communication.

Examine this formulation carefully. Check it against events in the area, especially during the past two decades. Follow the course of current developments in Vietnam and Laos. Other empires have followed similar policies in like circumstances. Only in terms of such a formulation does Washington's present policy in Southeast Asia make sense.

Asia is Building Socialism

Three serious obstacles prevented Washington from "liberating" the Far East after August 1945. One was the war-battered Soviet Union. The second was the wave of fanatical nationalism that followed the war's end. The third was the drive to build socialism in the erstwhile Asian colonies. Of these three obstacles, the most serious challenge to Washington was socialist construction.

Socialist construction was a "natural" for Asia after 1945. Centuries of harsh experience had made "imperialism" the dirtiest word in all Asian languages. The choice for Asians lay between neutralism and socialism. Neutralism smacked of status

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quo, opening the way for adventures with new variants of imperialism. Socialism called for a forward look. Moreover, it jibed with programs of Asian industrialization, which had been anathema to the imperialist.

At war's end important forward steps had been taken toward a socialist Asia. The whole of northern Asia was occupied by a Soviet Siberia that had been extensively industrialized under the pressure of the 1939-45 war. The Soviet Central Asian republics were socialist. Local Soviets had existed in China for two decades. In 1949 the most populous country in Asia launched a program of socialist construction. The Korean War (1950-53) produced a socialist North Korea. Eight years of war in Indo-China led to a socialist North Vietnam. Outer Mongolia was socialist. Sukarno talked socialism in Indonesia. Nehru, in India, was pushing for a socialist planned economy.

When the West partitioned Asia during its period of aggressive colonizing, the Asians had lacked plan, purpose, leadership. Today the Eurasian heartland teems with plans and projects for independence, self-determination, socialist construction. Of the three leading world powers, in the 1960's, China is Asian, the Soviet Union is Eurasian. Both are socialist. Under these conditions the conquest of Asia by United States-led imperialists must begin by uprooting socialism.

Since the Cold War was launched in 1946, United States policy has centered around exactly this problem. Truman Doctrine for Greece and Turkey; Eisenhower Doctrine for Iran and Lebanon; Kennedy Doctrine for Cuba; Goldwater proposals and program—all point in the same direction. If socialism is to be stopped and uprooted, the field of operations must be the Eurasia heartland and the campaign must begin in Asia. NATO imperialism, led by Washington, has no second choice. If the heartland goes socialist, the imperialist Cold War to contain and crush socialism is lost.

This is the major problem faced by the United States and the other western empires. It is the central issue of the 1964 presidential campaign. Senator Goldwater knows it and says so. President Johnson knows it but wishes to postpone public discussion of the subject until after election. Many United States citizens less highly placed than the Senate and the White House

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are beginning to suspect that Washington cannot bypass or dodge the issue. Its dream of an American Century cannot be realized if the Eurasian heartland is socialist. United States policy-makers must head an imperialist coalition to reconquer Asia and stop the spread of socialism or, failing to get substantial support in Europe, they must mobilize their Latin American and other satellites and go it alone.

The war which the United States is waging currently in Vietnam and Laos is one aspect of a much larger project—the strangulation of socialist construction and the imposition on Asians of the American way of thought and life.

Protesting the Vietnam-Laos War

Civil war in Southeast Asia has reached a critical stage. Popular opposition to the war in Vietnam and Laos is so widespread and so vigorous that the anti-imperialist armies are getting the same general public support that resulted in the defeat of the French in 1954. Then, the liberation forces were fighting French imperialists. Today they fight U.S. imperialists.

Peace forces all over the world are demanding another meeting of the sixteen nation conference that led to the 1954 Geneva agreement, which the United States is presently violating. Both Moscow and Peking have issued stern warnings against the war's extension to North Vietnam. The most concise and eloquent protest we have seen was sent to President Johnson on June 26, 1964 by the U.S. Farmers Association. We quote from the *U.S. Farm News* of June, 1964:

(1) We oppose continued military intervention of the United States in the civil war in Vietnam.
(2) We also oppose provocative overflights by our planes over any other country.
(3) We urge that the matter of Vietnam and Laos be negotiated by an international conference.
(4) We demand that our Government show respect for International Law, the United Nations Charter, and the sovereign rights of other nations.

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BOOKS

WHEN HYENAS GO AWAY

BY KEITH BUCHANAN

Hiti ciathii mbwe ciegangara (when hyenas go away, jackals rejoice) says the Kikuyu proverb—and this shrewd and bitter peasant wisdom expresses one of the outstanding and depressing realities of the contemporary African situation: the jackal-like quality of many of the African elite groups who have slunk into power on the heels of the departing white colonists (or who, as Frantz Fanon observes of the Ivory Coast, had independence "imposed" on them). These are the people who from time to time enliven the pages of the Time-Life sort of magazine: the sartorially-impeccable President of the Ivory Coast whose air-conditioned palace cost four milliard francs (and was ornamented with hundreds of tons of malachite flown from Russia) and whose wife, the "African Orchid," has houses in France and Switzerland and two back home in the Ivory Coast, who loves orchids and sables, and "pilots a fast Lancia" —in a country where the annual per capita income is under $150; Abbé Fulbert Youlou of the equally impoverished Congo Republic, who ordered mauve cassocks from Dior and built himself a luxury hotel, borrowing in Switzerland to make it possible (*Time,* South Pacific Edition, March 13, 1964, p. 25); the deputies who earn more from their six weeks of participation in the motions of governing than a peasant earns in his entire working life.

These are the groups on whom Western policy in Africa is based; these are the groups created by the West in the sunset period of colonialism; these are the groups whose preoccupation with their own *dolce vita* and whose alienation from the masses for whom they claim to speak constitute one of the major obstacles to social and economic progress in Africa. And because these "jackal" groups are, as Fanon saw so clearly,

Keith Buchanan, Professor of Geography, Victoria University, Wellington, New Zealand, spent four years in Africa teaching at the University of Natal, South Africa, and at University College, Abadan, Nigeria.

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useless and because as long as they dominate the African political scene real economic progress is impossible, it is ironic that the American spokesman at the recent world trade conference at Geneva should exhort "the poor to do more to help themselves"; this exhortation is, indeed, a clarion call for revolution, for it is only when the existing socio-political structures in Africa are swept away and replaced by new—*and socialist*—structures that the poor of Africa and the underdeveloped world as a whole will *be able* to help themselves. But Mr. George Ball clearly has not found time to include in his background reading some of the recent United Nations analyses of the problem of achieving an economic break-through in an "underdeveloped" country, and he certainly has not considered it worthwhile to draw on the wealth of material which has become available as a result of the dedicated drive and acute intelligence of one who is possibly the world's most outstanding agronomist, René Dumont.*

René Dumont began his career in prewar Indochina, in the Indian summer of French imperialism, in a territory and at a period when the calculated inhumanity of the colonial system swiftly made it clear that there was no place in the colonial service for an agronomist who was also a humanist.[1] He has subsequently worked as an agronomist and an adviser on rural development problems in almost every country of the Third World. His study of the revolution in the Chinese countryside stands head and shoulders above any other Western analysis of China's social and economic development since 1949; his account of the agricultural situation in Guinea, the Ivory Coast, and Mali gives us not only the first sharply focussed analysis of the regional diversity of agricultural problems in West Africa but also a concrete program for development which takes into account the weaknesses and the strengths of African peasant society and the differing potential of the various physical and human environments; his volume *Terres vivantes* draws together his experiences in the tropics of Latin America, Africa, and Southern Asia, giving us a stark and sombre picture of the quality of life of the tropical peasantry ("those true proletarians of our times"), a picture of the glaring and widening gap between *life as it is* and *life as we could make it*.[2] And in all of these works, and with increasing emphasis in his latest studies, he underlines in uncompromising terms the moral challenge which this universe of radical scarcity poses to the affluent societies of the West.

*René Dumont, *L'Afrique noire est mal partie* ("Black Africa has got off to a bad start") Editions du Seuil, Paris, 1962.

[1]Footnotes at end of article.

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Because the challenge is a *moral* one Dumont sees no solution except in terms of a global socialism; the misery of the "damned of the earth" is thus both a standing reproach to the socialist parties of the "white North" *and,* if they can break out of their cramped and Europo-centric habits of thought, their supreme opportunity to vindicate the human value of their philosophy. If the alternatives the future holds are, as Dumont believes, either a war against hunger or war against the hungry, then the time is surely near when those who claim to be socialists should take their heads out of the clouds and understand that some two out of every three people on this globe are peasants, most of them living—rather, existing—in a shadowed world of hunger and disease, and that it's in these peasant masses that socialism's future will lie. I have already reproached Mr. George Ball over the apparent gaps in his reading; but this reproach could apply equally well—and there's surely much less excuse for this—to many who claim to be socialists. The resultant unawareness of many of these folk of the problems and the potential for change in any society save our own Euro-American, urbanized, high-consumption, society could have tragic consequences for the whole of humanity.

In *L'Afrique noire est mal partie,* Dumont, who is himself of peasant stock, brings the problem of African "underdevelopment" down to the solid earth of African peasant realities. He writes as an agronomist and this might lead many to feel the volume might be a specialist study cluttered with jargon, but he writes with a commitment and a dedication which lifts the work far above the level of the usual agronomic study into the category of a major human document. He is committed to the defense of "the underdeveloped and often oppressed peasants, *these true proletarians of our time*"; only by their efforts can the African states get to the point of economic take-off. He is dedicated to the pursuit of truth, a truth often relative, provisional—and this pursuit of truth demands an honesty and calls for a frankness often distasteful to African leaders and African governments who are hypersensitive and conditioned by the empty flattery of the official reception and the visiting delegation. In such a situation the words of a Camerounian friend — "What you have to say is disagreeable to hear, but we can accept it from you for we know it is inspired by your friendship for us"—gave him the courage to pursue what must have often appeared a thankless task.

The fundamental problem to which Dumont applies himself he puts very simply: "On this planet in the process of transformation is the African continent alone condemned to stagnation, without a future, without hope?" (p. 10). He then

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examines this stagnation in its geographic and historical setting. The African environment is a harsh one and certainly poses major problems of climate, poor soils, murderous disease complexes. Yet the continent is scarcely, as some have suggested, "an accursed continent," for it provided the basis in the Middle Ages for complex and sophisticated civilizations (the empires of Ghana or Songhai or the Zimbabwe civilization are examples) which were, in almost every respect, in advance of anything medieval Europe could show. Many African societies are, in fact, not so much "underdeveloped" as "pre-developed" (to use Jean Chesneaux's term) and their flowering was cut short by the impact of outside influences. Decisive in this context was the impact of the technologically sophisticated barbarism of Europe which manifested itself in the slave trade, in the carving of the living body of Africa into a series of arbitrary colonial dependencies, in the "enforced bilateralism" of trade between colony and metropolis, in the demoralization of African societies by imported liquor and firearms, and, in its latest stages, by the "stealing of the souls" of those who should have been the leaders of an emergent Africa.

The slave trade cost Africa between 60 and 150 million human lives, with the result that Africa, which in the seventeenth century contained one fifth of humanity (the same proportion as Europe) today contains only one twelfth. With the slave trade came an aggravation of local wars, rendered more destructive by firearms and—perhaps even worse in its long-term results than the introduction of firearms—the massive importation of cheap alcohol. The final disintegration of African society was brought about by the colonial wars at the end of the nineteenth century which devastated and depopulated wide areas. And, if the slave trade and colonial wars warped and maimed the societies of Africa, so too did the succeeding colonial system warp and maim the economies of Africa. Agriculture became geared to the raw-material needs of the metropolis; subsistence production stagnated. The ores and raw materials of Africa were used, not to create new industrial bases in Africa but to feed the industrial complexes (and thus expand the employment possibilities) of the Euro-American world. Transport networks were built, not to meet the internal needs of Africa, but to make possible the more efficient siphoning-out of the colonies' wealth. Capital flowed into the sectors where profits were greatest and most rapid; it went thus into mining, transport, or commerce and avoided the peasant sector. The result was an increasing imbalance between a few "poles of development" and a stagnating or regressing peasant economy. Education was on a pitifully small scale

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and was little concerned with the basic needs of Africa (above all, the need to create a technically proficient and productive peasantry); rather, it was concerned with creating a more or less literate class of clerks and minor officials through whom the colonial power governed and, in the immediate pre-independence stage, with creating a small administrative elite. To cut a long and painful story short, when the majority of African territories gained their independence they inherited economies which were a caricature of the type of economy needed to sustain a modern state: economies that were poverty-stricken because they lacked any real economic diversification, economies that were mere appendages of the developed countries of the West and whose critically important mining and commercial sectors were still largely under foreign control, economies which because of their stunting and warping are proving quite incapable of absorbing the massive yearly increases in the labor force caused by the continent's "population explosion." In addition, what was to prove of critical importance, the new states inherited educational systems, modelled on those of Europe, which are proving totally unsuited to producing the rural leaders and the technicians so desperately needed if real economic advance is to begin. And they are saddled with elite groups whose Europocentrism, frenzied preoccupation with the spoils of power, and blindness or indifference to the desperate needs of their fellow countrymen are emerging as major obstacles to Africa's economic progress. These are the "jackal groups" who crept on to the scene when the hyenas withdrew—and who are collaborating with other predators in the spoliation of their homelands.

Whether these "elite" groups, the "Greco-Latin Negroes" referred to by J.-P. Sartre,[3] were deliberately fabricated by the retreating colonial power as media through whom the political, cultural, and economic influences of the metropolis could be prolonged, is irrelevant here. What is important is that the disastrous success of this policy deprived the new societies of their natural leaders and made any effective confrontation of Africa's problems virtually impossible. For, as Dumont's study demonstrates, the problems of Africa are new problems, in that they are posed by an environment quite different from that of Europe, are rooted in social systems quite different from those of the West, and are partly the result of a destructive impact which has no parallel in our European experience. To attempt to solve these problems by blindly applying Western concepts of economic development, of education, of political organization—which is what many of these Western-trained ruling groups are claiming to do—is leading to social and economic anarchy. This

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anarchy provides the climate in which the new "administrative bourgeoisie" progressively enlarges its privileges and perquisites (until, as in Dahomey, three fifths of the budget is swallowed up by administration). At the same time, the inevitable collapse is staved off by outside aid which shores up the crumpling economic and political structures, leaves the mounting misery of the masses untouched, and reduces many of the African nations to a satellite or semi-satellite status. The alternatives before Africa become clearer with each month that passes: they are, as Dumont puts it, "South Americanization or socialism."

L'Afrique noire est mal partie gives us, for the first time, a fearlessly honest and meticulous analysis of the symptoms and the manifestations of "underdevelopment" in Africa and of the regional nuances of the problem. For this reason alone it is a book of outstanding importance. For socialists, and especially "Western" socialists, it is critically important because if, as Dumont demonstrates, a solution to the problem is impossible except along socialist lines, this is going to involve not only a rethinking of socialist concepts which will relate them more effectively to the needs of economically disinherited and dominantly peasant societies, but also a rethinking of socialist ideals in our own affluent societies. The stagnation or regression of many Western socialisms he sees as a result of their self-imposed blindnesses, above all, of their failure to reach out and think in truly global terms. To reach out thus involves a recognition of the fact that affluence and high levels of living in the Euro-American world and the "underdevelopment" of Africa (or Asia or Latin America) are sides of the same coin or, more precisely, that development in the "white North" created "underdevelopment" elsewhere. If this is true, then perhaps we may argue that there are no solutions that are specifically "African" or "Asian," there are only global solutions. And, in such a context, the major challenge confronting socialists everywhere is how to extend their struggle to create a decent society by abolishing the glaring rifts between classes *within* the nation state to include the vaster but related problem of narrowing the widening margin between the "haves" who are white and the "damned of the earth" who are colored. In this struggle, which, as Dumont somewhere observes, is *the only morally justifiable struggle of our time,* the socialisms of the "white North" may recapture the dynamism and the dedicated humanism which they have too often lost. They would then be able to offer to our young people an ideal, a sense of purpose, a vision of human solidarity infinitely more satisfying—and ennobling—than the helplessness, the flight from involvement, the desperate quest for the vicarious satisfactions of

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cinema or TV to which our existing society condemns them. The volume under review is socialist writing at its best: practical, yet infused with idealism; rooted in the solid earth of African realities, yet all the time evaluating these realities in the light of Cuban, Chinese, Israeli, Soviet experience; skeptical, critical of dogmatic judgments, yet positive and constructive in its program for action. As such, it is an essential handbook for African socialists and, above all, for Western socialists who show precious little real understanding of the struggle of the "damned of the earth," the tropical peasantries, to assert their stature as full men—and of the relevance of this to the future of world socialism.

[1]Dumont comments on the deliberate starving of the Indo-Chinese peasantry of Nghe-An province in 1931 in his volume *Types of Rural Economy* (London, 1957), p. 156.

[2]The date and place of publication of the works listed (only a very partial list) are: *Révolution dans les campagnes chinoises* (Paris, 1957); *Reconversion de l'économie agricole: Guinée, Cote d'Ivoire, Mali* (Paris, 1961); *Terres vivantes* (Paris, 1961).

[3]J.-P. Sartre, Introduction to Frantz Fanon, *Les damnés de la terre* (Paris, 1961), p. 9.

FROM PEONS TO PEOPLE

BY JAMES CAMERON

The place, after all, occupies a not inconsiderable part of the planet we so fretfully inhabit, since it is twice as big as China and greatly more populous than the U.S.; it is diverse, odd, various, and strange; it is the oldest thing in the hemisphere and the youngest; it groans with the past and throbs with the future—and all we ever hear of Latin America is cliché and rhetoric, outworn analysis and prefabricated conclusion.

I have had the peculiar experience of reading Cedric Bel-

A top Fleet Street byline since the 1930's, James Cameron recently returned to London from Cuba, Brazil, Chile, and Bolivia, where he made a film for British TV, and from San Francisco where he covered the Republican convention for the *Daily Herald*.

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frage's book* twice in two related contexts. I read it first for pleasure and interest (for there would have been pleasure in such an urbane and skillful book had it dealt with Milwaukee or Manchester) at a time when I had no more knowledge of Latin America than a fifteen-year-old handful of transient memories. Something happened in the meantime, and I read it again instantly after a personal trip round that enormous parish, when I was less inclined to be beguiled by its felicity and more critical of its facts. This is surely the most testing of experiments, I should have thought, and I should flinch from seeing any book of mine subjected to this gruesome professionalism. I can only say that it was slightly better the second time than the first.

The Man At The Door With The Gun inclines to the current style of long elaborate titles which go in for mystification. There are in fact not many guns in this very personal and subjective study of fourteen of the Latin American republics. The gun is surely there by inference, and here and there by historical association, but to Cedric Belfrage the Latin American drama (if one may use the silly word) is in something much more potent than shooting; it is in the simple accumulated evolution of peons into people by the process that, however painful, is now wholly irreversible.

Throughout the book, as Cedric Belfrage says, he is attempting to show the U.S. through Latin American eyes, through the medium of a tour he made with his wife in 1962. It is "a book by and for the beginner about America, a large territory named after a discoverer who did not discover it. About the U.S., a part of America which I long inhabited but now may not enter, and about people in the lower, or Spanish-speaking part, where I was welcomed or at least not excluded."

It obviously begins with his eighteen-month sojourn in Cuba. Myself, on first reading of this, thought Mr. Belfrage's Cuban proposition a mite fanciful. For most of us it has, to be sure, become a kind of Caribbean never-never land; nevertheless (having had occasional disappointments in the Eastern Republics and some downright painful ones in other socialist mavericks, like Albania) I vaguely doubted the Peter Pan quality of Cuban communism. It is one of the disturbing qualities of Cedric Belfrage that he writes with a style of humane wit that could, one realizes, make any theme he defines seem attractive, in an enviably unearthly way. And then almost immediately I went to Cuba myself. It was hot on the heels of the Leyland bus-deal, and for the first time in some years in a place where, to use the Belfrage phrase, a British citizen was not only not excluded but en-

* Cedric Belfrage, *The Man At The Door With The Gun,* Monthly Review Press, 1963, $4.50.

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thusiastically welcomed. And when at the airport I was loudly and touchingly acclaimed with what the Havana bandsmen clearly thought was the British Revolutionary hymn I began to see what Cedric meant, because what they played was, unmistakably, "The Red Flag Cha-Cha-Cha," and I knew that such a place must get my vote, too.

There is no point in reviewing this book chapter by chapter and region by region, for of the nations that comprise his report I know only three: Brazil, Bolivia, and Chile. Of his definitions of these places I can only say that I wish I had done them myself (not that I won't, either). I am therefore persuaded that the rest is of the same calibre and character, which is penetrating, and compassionate, and informed by plenty of what is clearly the proper proportion of prejudice. As one in the business myself I shall argue forever that objectivity in political writing is not only sterile, undesirable, and dull, but in fact impossible. Mr. Belfrage hated much of what he saw, and respected some of what he saw, and what he detested and what he approved were the things he had always known he would react to thus, and that is as it should be.

So with a very clear eye we see the pathos of Brazil, the potentiality of Chile, the disenchantment of Bolivia, the intolerable apathy of Uruguay—and so on, throughout the checkerboard of nationalist hopes and fears so impossibly caricatured in the OAS.

To call this a tract for the times would be a dreary way of describing a book so sparkling in its denunciations, so vivid and perceptive in its descriptive moods; above all so tersely and crisply done. Thank goodness for a radical with a sense of political humor; thank goodness for a writer who can square a light heart with a conscience, losing neither.

In fact, in preparing a paper for the Inter-American Development Bank we made a survey of the professional investment community in New York, Philadelphia, and Boston on that subject [investment in Latin America] in 1962 and asked the professional investors what they thought the outlook for private investment in Latin America was, and I think 22 or 24 investment bankers and institutional investors were interviewed. I should say that certainly two thirds of them started out with some such statement as, "Any investor who would put money into Latin America until we have gotten rid of Castro needs a mental examination."

—Dr. John D. J. Moore, Vice President, W. R. Grace & Co., in testimony before the Subcommittee on Inter-American Relations of the Joint Economic Committee on January 14, 1964.

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(*continued from inside front cover*)

ness, generosity, and courage in an altogether unique way. We mourn his passing and extend our heartfelt sympathy to his wife Yvonne.

On the occasion of the first anniversary of the founding of *Monthly Review: Selecciones en Castellano* this past summer, we sent the following message to Irene Mizrahi and her co-workers in Buenos Aires: "When the proposal was first made to publish an edition of MR in Spanish, we were frankly skeptical as to whether it could succeed. Now, a year after the first issue was published, we know that we were wrong and that you, whose confidence of success was greater than ours, were right. In one year, Spanish MR has acquired a circulation almost as large as English MR has acquired in 15 years. This is a magnificent record, of which both you and we can be proud. Our heartiest congratulations and affectionate best wishes for many more years of fruitful collaboration."

Readers of Harvey O'Connor's book *Revolution in Seattle* know that one of its principal characters is that indomitable fighter for the socialist cause, Anna Louise Strong. With this in mind, we invited Anna Louise to review the book, knowing that she would have valuable reflections and memories to add to the story Harvey O'Connor tells so well. She begged off because of the pressure of other commitments but asked that we include in these notes her brief evaluation of the book: "It gives a vivid, eloquent account of hitherto unwritten pages from the history of the American labor, IWW, and socialist movements. The parts about which I know personally are not only authentic but eloquent, and Mr. O'Connor's research has informed me of many interesting and important earlier events in Seattle's history of which I did not know myself. Best of all, he has fully recaptured the indomitable spirit of the working class struggles of that past period in the Northwest when organized labor in Seattle, even in the old American Federation of Labor, was the vanguard of the American labor movement. This is a book recording important history and giving lessons for the American working class for history yet to come."

A Canadian graduate student in political science has written to protest the statement in our editor's preface to Philip Reno's *The Ordeal of British Guiana* to the effect that Cheddi Jagan's government in BG was the first avowedly socialist government in the Western Hemisphere. "In 1944," writes our correspondent, "the Cooperative Commonwealth Federation led by T. C. Douglas took office in Saskatchewan as the Provincial Government. This party was an 'avowed socialist party.' At its initial founding at Regina in 1933 it proclaimed in the Regina Manifesto: 'No CCF government will rest content until it has eradicated capitalism.'" Our correspondent is right, of course, but he is wrong to attribute our statement to ignorance. What we should have said is that the Jagan government was the first avowedly socialist government at the *national level* in the Western Hemisphere.

Speaking of *The Ordeal of British Guiana,* we should add that this special double issue of MR is now available as a book in both paper and cloth covers at prices of $1.45 and $3.25 respectively. Please urge your local library to buy the cloth edition and your favorite bookstore to stock the paper edition.

One more item to bring to the attention of your librarian: Writing about the new edition of Aneurin Bevan's *In Place of Fear,* the *Library Journal* advises that the book is definitely "for all libraries which did not previously acquire this title for their collections and which require an elucidation by an authentic voice of British socialism."

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